

AMENDED IN ASSEMBLY APRIL 16, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 502

Introduced by Assembly Member Chau

February 23, 2015

An act to amend ~~Sections 1924, 1926, and 1931~~ *Section 1926* of the Business and Professions Code, to amend Sections 13401 and 13401.5 of the Corporations Code, to add Section 1374.196 to the Health and Safety Code, and to add Section 10120.4 to the Insurance Code, relating to dental hygiene.

LEGISLATIVE COUNSEL'S DIGEST

AB 502, as amended, Chau. Dental hygiene.

(1) Existing law, the Dental Practice Act, provides for the licensure and regulation of registered dental hygienists, registered dental hygienists in extended functions, and registered dental hygienists in alternative practice by the Dental Hygiene Committee of California.

Existing law authorizes a registered dental hygienist in alternative practice to perform various duties in specified settings, including dental health professional shortage areas, as certified by the Office of Statewide Health Planning and Development.

This bill would require an alternative dental hygiene practice established within a certified shortage area to continue regardless of certification.

~~Existing law authorizes a registered dental hygienist in alternative practice to provide services to a patient without obtaining written verification that the patient has been examined by a dentist or physician and surgeon licensed to practice in this state. However, under existing law, if the registered dental hygienist in alternative practice provides~~

~~services to a patient 18 months or more after the first date that he or she provides services to a patient, he or she is required to obtain written verification, including a prescription for dental hygiene services, that the patient has been examined by a dentist or physician and surgeon licensed to practice in this state.~~

~~This bill would delete that written verification and prescription requirement.~~

(2) Existing law, the Moscone-Knox Professional Corporation Act, prohibits a professional corporation from rendering professional services in this state without a currently effective certificate of registration issued by the governmental agency regulating the profession in which the corporation is or proposes to be engaged and excepts any professional corporation rendering professional services by persons duly licensed by specified state entities from that requirement. Existing law authorizes specified healing arts practitioners to be shareholders, officers, directors, or professional employees of a designated professional corporation, subject to certain limitations relating to ownership of shares.

This bill would additionally except any professional corporation rendering professional services by persons duly licensed by the Dental Hygiene Committee of California from the certificate of registration requirement. The bill would authorize dental assistants and licensed dentists to be shareholders, officers, directors, or professional employees of a registered dental hygienist in alternative practice corporation.

(3) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law provides certain standards that govern health care service plan contracts covering dental services, health insurance policies covering dental services, specialized health care service plan contracts covering dental services, and specialized health insurance policies covering dental services.

This bill would require health care service plan contracts covering dental services, health insurance policies covering dental services, specialized health care service plan contracts covering dental services, and specialized health insurance policies covering dental services issued, amended, or renewed on or after January 1, 2016, to reimburse registered dental hygienists in alternative practice for performing dental hygiene services that may lawfully be performed by registered dental hygienists and that are reimbursable under the contracts or policies. The bill would

also require the plan or insurer to use the same fee schedule for reimbursing both registered dental hygienists and registered dental hygienists in alternative practice. Because a willful violation of the bill's provisions by a health care service plan covering dental services or a specialized health care service plan covering dental services would be a crime, it would impose a state-mandated local program.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 1924 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 ~~1924. A person licensed as a registered dental hygienist who~~
4 ~~has completed the prescribed classes through the Health Manpower~~
5 ~~Pilot Project (HMPP) and who has established an independent~~
6 ~~practice under the HMPP by June 30, 1997, shall be deemed to~~
7 ~~have satisfied the licensing requirements under Section 1922, and~~
8 ~~shall be authorized to continue to operate the practice he or she~~
9 ~~presently operates, so long as he or she follows the functions as~~
10 ~~specified in Sections 1922, 1925, 1926, 1927, 1928, and 1930, and~~
11 ~~subdivision (b) of Section 1929, and as long as he or she continues~~
12 ~~to personally practice and operate the practice or until he or she~~
13 ~~sells the practice to a licensed dentist.~~

14 ~~SEC. 2.~~

15 ~~SECTION 1.~~ Section 1926 of the Business and Professions
16 ~~Code is amended to read:~~

17 ~~1926. A registered dental hygienist in alternative practice may~~
18 ~~perform the duties authorized pursuant to subdivision (a) of Section~~
19 ~~1907, subdivision (a) of Section 1908, and subdivisions (a) and~~
20 ~~(b) of Section 1910 in the following settings:~~

- 21 ~~(a) Residences of the homebound.~~
- 22 ~~(b) Schools.~~
- 23 ~~(c) Residential facilities and other institutions.~~

(d) Dental health professional shortage areas, as certified by the Office of Statewide Health Planning and Development in accordance with existing office guidelines. An alternative dental hygiene practice established within a certified shortage area shall continue regardless of certification.

~~SEC. 3.— Section 1931 of the Business and Professions Code is amended to read:~~

~~1931. A registered dental hygienist in alternative practice may provide services to a patient without obtaining written verification that the patient has been examined by a dentist or physician and surgeon licensed to practice in this state.~~

~~SEC. 4.~~

SEC. 2. Section 13401 of the Corporations Code is amended to read:

13401. As used in this part:

(a) “Professional services” means any type of professional services that may be lawfully rendered only pursuant to a license, certification, or registration authorized by the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act.

(b) “Professional corporation” means a corporation organized under the General Corporation Law or pursuant to subdivision (b) of Section 13406 that is engaged in rendering professional services in a single profession, except as otherwise authorized in Section 13401.5, pursuant to a certificate of registration issued by the governmental agency regulating the profession as herein provided and that in its practice or business designates itself as a professional or other corporation as may be required by statute. However, any professional corporation or foreign professional corporation rendering professional services by persons duly licensed by the Medical Board of California or any examining committee under the jurisdiction of the board, the Osteopathic Medical Board of California, the Dental Board of California, the Dental Hygiene Committee of California, the California State Board of Pharmacy, the Veterinary Medical Board, the California Architects Board, the Court Reporters Board of California, the Board of Behavioral Sciences, the Speech-Language Pathology and Audiology Board, the Board of Registered Nursing, or the State Board of Optometry shall not be required to obtain a certificate of registration in order to render those professional services.

1 (c) "Foreign professional corporation" means a corporation
2 organized under the laws of a state of the United States other than
3 this state that is engaged in a profession of a type for which there
4 is authorization in the Business and Professions Code for the
5 performance of professional services by a foreign professional
6 corporation.

7 (d) "Licensed person" means any natural person who is duly
8 licensed under the provisions of the Business and Professions
9 Code, the Chiropractic Act, or the Osteopathic Act to render the
10 same professional services as are or will be rendered by the
11 professional corporation or foreign professional corporation of
12 which he or she ~~is~~ *is*, or intends to become, an officer, director,
13 shareholder, or employee.

14 (e) "Disqualified person" means a licensed person who for any
15 reason becomes legally disqualified (temporarily or permanently)
16 to render the professional services that the particular professional
17 corporation or foreign professional corporation of which he or she
18 is an officer, director, shareholder, or employee is or was rendering.

19 ~~SEC. 5.~~

20 *SEC. 3.* Section 13401.5 of the Corporations Code is amended
21 to read:

22 13401.5. Notwithstanding subdivision (d) of Section 13401
23 and any other provision of law, the following licensed persons
24 may be shareholders, officers, directors, or professional employees
25 of the professional corporations designated in this section so long
26 as the sum of all shares owned by those licensed persons does not
27 exceed 49 percent of the total number of shares of the professional
28 corporation so designated herein, and so long as the number of
29 those licensed persons owning shares in the professional
30 corporation so designated herein does not exceed the number of
31 persons licensed by the governmental agency regulating the
32 designated professional corporation. This section does not limit
33 employment by a professional corporation designated in this section
34 to only those licensed professionals listed under each subdivision.
35 Any person duly licensed under Division 2 (commencing with
36 Section 500) of the Business and Professions Code, the
37 Chiropractic Act, or the Osteopathic Act may be employed to
38 render professional services by a professional corporation
39 designated in this section.

40 (a) Medical corporation.

- 1 (1) Licensed doctors of podiatric medicine.
- 2 (2) Licensed psychologists.
- 3 (3) Registered nurses.
- 4 (4) Licensed optometrists.
- 5 (5) Licensed marriage and family therapists.
- 6 (6) Licensed clinical social workers.
- 7 (7) Licensed physician assistants.
- 8 (8) Licensed chiropractors.
- 9 (9) Licensed acupuncturists.
- 10 (10) Naturopathic doctors.
- 11 (11) Licensed professional clinical counselors.
- 12 (12) Licensed physical therapists.
- 13 (b) Podiatric medical corporation.
- 14 (1) Licensed physicians and surgeons.
- 15 (2) Licensed psychologists.
- 16 (3) Registered nurses.
- 17 (4) Licensed optometrists.
- 18 (5) Licensed chiropractors.
- 19 (6) Licensed acupuncturists.
- 20 (7) Naturopathic doctors.
- 21 (8) Licensed physical therapists.
- 22 (c) Psychological corporation.
- 23 (1) Licensed physicians and surgeons.
- 24 (2) Licensed doctors of podiatric medicine.
- 25 (3) Registered nurses.
- 26 (4) Licensed optometrists.
- 27 (5) Licensed marriage and family therapists.
- 28 (6) Licensed clinical social workers.
- 29 (7) Licensed chiropractors.
- 30 (8) Licensed acupuncturists.
- 31 (9) Naturopathic doctors.
- 32 (10) Licensed professional clinical counselors.
- 33 (d) Speech-language pathology corporation.
- 34 (1) Licensed audiologists.
- 35 (e) Audiology corporation.
- 36 (1) Licensed speech-language pathologists.
- 37 (f) Nursing corporation.
- 38 (1) Licensed physicians and surgeons.
- 39 (2) Licensed doctors of podiatric medicine.
- 40 (3) Licensed psychologists.

- 1 (4) Licensed optometrists.
- 2 (5) Licensed marriage and family therapists.
- 3 (6) Licensed clinical social workers.
- 4 (7) Licensed physician assistants.
- 5 (8) Licensed chiropractors.
- 6 (9) Licensed acupuncturists.
- 7 (10) Naturopathic doctors.
- 8 (11) Licensed professional clinical counselors.
- 9 (g) Marriage and family therapist corporation.
- 10 (1) Licensed physicians and surgeons.
- 11 (2) Licensed psychologists.
- 12 (3) Licensed clinical social workers.
- 13 (4) Registered nurses.
- 14 (5) Licensed chiropractors.
- 15 (6) Licensed acupuncturists.
- 16 (7) Naturopathic doctors.
- 17 (8) Licensed professional clinical counselors.
- 18 (h) Licensed clinical social worker corporation.
- 19 (1) Licensed physicians and surgeons.
- 20 (2) Licensed psychologists.
- 21 (3) Licensed marriage and family therapists.
- 22 (4) Registered nurses.
- 23 (5) Licensed chiropractors.
- 24 (6) Licensed acupuncturists.
- 25 (7) Naturopathic doctors.
- 26 (8) Licensed professional clinical counselors.
- 27 (i) Physician assistants corporation.
- 28 (1) Licensed physicians and surgeons.
- 29 (2) Registered nurses.
- 30 (3) Licensed acupuncturists.
- 31 (4) Naturopathic doctors.
- 32 (j) Optometric corporation.
- 33 (1) Licensed physicians and surgeons.
- 34 (2) Licensed doctors of podiatric medicine.
- 35 (3) Licensed psychologists.
- 36 (4) Registered nurses.
- 37 (5) Licensed chiropractors.
- 38 (6) Licensed acupuncturists.
- 39 (7) Naturopathic doctors.
- 40 (k) Chiropractic corporation.

- 1 (1) Licensed physicians and surgeons.
- 2 (2) Licensed doctors of podiatric medicine.
- 3 (3) Licensed psychologists.
- 4 (4) Registered nurses.
- 5 (5) Licensed optometrists.
- 6 (6) Licensed marriage and family therapists.
- 7 (7) Licensed clinical social workers.
- 8 (8) Licensed acupuncturists.
- 9 (9) Naturopathic doctors.
- 10 (10) Licensed professional clinical counselors.
- 11 (l) Acupuncture corporation.
- 12 (1) Licensed physicians and surgeons.
- 13 (2) Licensed doctors of podiatric medicine.
- 14 (3) Licensed psychologists.
- 15 (4) Registered nurses.
- 16 (5) Licensed optometrists.
- 17 (6) Licensed marriage and family therapists.
- 18 (7) Licensed clinical social workers.
- 19 (8) Licensed physician assistants.
- 20 (9) Licensed chiropractors.
- 21 (10) Naturopathic doctors.
- 22 (11) Licensed professional clinical counselors.
- 23 (m) Naturopathic doctor corporation.
- 24 (1) Licensed physicians and surgeons.
- 25 (2) Licensed psychologists.
- 26 (3) Registered nurses.
- 27 (4) Licensed physician assistants.
- 28 (5) Licensed chiropractors.
- 29 (6) Licensed acupuncturists.
- 30 (7) Licensed physical therapists.
- 31 (8) Licensed doctors of podiatric medicine.
- 32 (9) Licensed marriage and family therapists.
- 33 (10) Licensed clinical social workers.
- 34 (11) Licensed optometrists.
- 35 (12) Licensed professional clinical counselors.
- 36 (n) Dental corporation.
- 37 (1) Licensed physicians and surgeons.
- 38 (2) Dental assistants.
- 39 (3) Registered dental assistants.
- 40 (4) Registered dental assistants in extended functions.

- 1 (5) Registered dental hygienists.
- 2 (6) Registered dental hygienists in extended functions.
- 3 (7) Registered dental hygienists in alternative practice.
- 4 (o) Professional clinical counselor corporation.
- 5 (1) Licensed physicians and surgeons.
- 6 (2) Licensed psychologists.
- 7 (3) Licensed clinical social workers.
- 8 (4) Licensed marriage and family therapists.
- 9 (5) Registered nurses.
- 10 (6) Licensed chiropractors.
- 11 (7) Licensed acupuncturists.
- 12 (8) Naturopathic doctors.
- 13 (p) Physical therapy corporation.
- 14 (1) Licensed physicians and surgeons.
- 15 (2) Licensed doctors of podiatric medicine.
- 16 (3) Licensed acupuncturists.
- 17 (4) Naturopathic doctors.
- 18 (5) Licensed occupational therapists.
- 19 (6) Licensed speech-language therapists.
- 20 (7) Licensed audiologists.
- 21 (8) Registered nurses.
- 22 (9) Licensed psychologists.
- 23 (10) Licensed physician assistants.
- 24 (q) Registered dental hygienist in alternative practice
- 25 corporation.
- 26 (1) Dental assistants.
- 27 (2) Licensed dentists.

28 ~~SEC. 6.~~

29 *SEC. 4.* Section 1374.196 is added to the Health and Safety
30 Code, to read:

31 1374.196. (a) This section shall only apply to a health care
32 service plan contract covering dental services or a specialized
33 health care service plan contract covering dental services issued,
34 amended, or renewed on or after January 1, 2016.

35 (b) A registered dental hygienist in alternative practice, licensed
36 pursuant to Section 1922 of the Business and Professions Code,
37 may submit or allow to be submitted on his or her behalf any claim
38 for dental hygiene services performed as authorized pursuant to
39 Article 9 (commencing with Section 1900) of Chapter 4 of Division
40 2 of the Business and Professions Code to a health care service

1 plan covering dental services or a specialized health care service
2 plan covering dental services.

3 (c) If a health care service plan contract covering dental services
4 or a specialized health care service plan contract covering dental
5 services provides reimbursement for dental hygiene services that
6 may lawfully be performed by a registered dental hygienist,
7 licensed pursuant to Section 1917 of the Business and Professions
8 Code, reimbursement under that plan contract shall not be denied
9 when the service is performed by a registered dental hygienist in
10 alternative practice.

11 (d) (1) Nothing in this section shall preclude a health care
12 service plan contract covering dental services or a specialized
13 health care service plan contract covering dental services from
14 setting different fee schedules for different services provided by
15 different providers.

16 (2) A health care service plan contract covering dental services
17 or a specialized health care service plan contract covering dental
18 services shall use the same fee schedule for dental hygiene services
19 whether the services are performed by a registered dental hygienist
20 or a registered dental hygienist in alternative practice.

21 ~~SEC. 7.~~

22 SEC. 5. Section 10120.4 is added to the Insurance Code, to
23 read:

24 10120.4. (a) This section shall only apply to a health insurance
25 policy covering dental services or a specialized health insurance
26 policy covering dental services issued, amended, or renewed on
27 or after January 1, 2016.

28 (b) A registered dental hygienist in alternative practice, licensed
29 pursuant to Section 1922 of the Business and Professions Code,
30 may submit or allow to be submitted on his or her behalf any claim
31 for dental hygiene services performed as authorized pursuant to
32 Article 9 (commencing with Section 1900) of Chapter 4 of Division
33 2 of the Business and Professions Code to a health insurer covering
34 dental services or a specialized health insurer covering dental
35 services.

36 (c) If a health insurance policy covering dental services or a
37 specialized health insurance policy covering dental services
38 provides for reimbursement for dental hygiene services that may
39 lawfully be performed by a registered dental hygienist, licensed
40 pursuant to Section 1917 of the Business and Professions Code,

1 reimbursement under that policy shall not be denied when the
2 service is performed by a registered dental hygienist in alternative
3 practice.

4 (d) (1) Nothing in this section shall preclude a health insurance
5 policy covering dental services or a specialized health insurance
6 policy covering dental services from setting different fee schedules
7 for different services provided by different providers.

8 (2) A health insurance policy covering dental services or a
9 specialized health insurance policy covering dental services shall
10 use the same fee schedule for dental hygiene services whether the
11 services are performed by a registered dental hygienist or a
12 registered dental hygienist in alternative practice.

13 ~~SEC. 8.~~

14 *SEC. 6.* No reimbursement is required by this act pursuant to
15 Section 6 of Article XIII B of the California Constitution because
16 the only costs that may be incurred by a local agency or school
17 district will be incurred because this act creates a new crime or
18 infraction, eliminates a crime or infraction, or changes the penalty
19 for a crime or infraction, within the meaning of Section 17556 of
20 the Government Code, or changes the definition of a crime within
21 the meaning of Section 6 of Article XIII B of the California
22 Constitution.